

DISTRICT COURT, CITY AND COUNTY OF DENVER, COLORADO 1437 Bannock Street Denver, CO 80202 <hr/> GERALD ROME, Securities Commissioner for the State of Colorado, Plaintiff, v. CHADBOURN PARTNERS, LLC, a/k/a CHADBOURN PARTNERS, INC.; DANIEL R. MURPHY; and HENRY DYER WIGGINS, JR., Defendants.	<p style="text-align: center;">▲ COURT USE ONLY ▲</p>
	Case No.: 14CV30611 Courtroom: 409
<p style="text-align: center;">STIPULATION FOR ORDER OF PERMANENT INJUNCTION AND OTHER RELIEF FOR DEFENDANT DANIEL R. MURPHY</p>	

Plaintiff, Gerald Rome, Securities Commissioner for the State of Colorado (the "Commissioner"), by and through his counsel, the Colorado Attorney General, and Defendant Daniel R. Murphy ("Murphy" or "Defendant"), hereby stipulate and agree as follows:

WHEREAS, the Commissioner commenced this action on February 11, 2014, by filing a Complaint for Injunctive and Other Relief seeking injunctive and other relief against all Defendants; and

WHEREAS, the Court has jurisdiction over Defendants and the subject matter of this action; and

WHEREAS, the parties believe that it is in their best interests to enter into this Stipulation to reduce costs of litigation and promote a fair, just, and

equitable resolution of this action and Murphy desires to reimburse injured investors for their losses;

NOW, the Commissioner and Murphy agree as follows:

1. Murphy voluntarily consents to the entry of an Order of Permanent Injunction and Other Relief ("Order") in the form attached hereto as Exhibit A and incorporated herein by reference.

2. Murphy stipulates to the entry of judgment in favor of the Commissioner and against Defendant in the principal amount of \$879,000 in the form attached hereto as Exhibit A, which represents restitution to injured investors as contemplated by § 11-51-602, C.R.S.

3. In the event that Murphy files for bankruptcy protection, the Defendant stipulates that the following circumstances exist:

- A. The obligations incurred as a result of this Stipulation are for the violation of Colorado state securities laws, pursuant to 11 U.S.C. § 523(a)(19)(A)(i);
- B. This Stipulation and the resulting Order of Permanent Injunction and Other Relief constitute a judgment, order, consent order, or decree entered in a state proceeding pursuant to 11 U.S.C. § 523(a)(19)(B)(i), a settlement agreement entered into by the Defendant pursuant to 11 U.S.C. § 523(a)(19)(B)(ii), and a court order for damages, fine, penalty, citation, restitution payment, disgorgement payment, attorney fee, cost or other payment owed by the Defendant pursuant to 11 U.S.C. § 523(a)(19)(B)(iii).

Murphy understands and acknowledges that by agreeing to these terms, he is stipulating to the underlying facts that a bankruptcy court must examine to determine whether the within judgment is non-dischargeable pursuant to 11 U.S.C. § 523(a)(19).

4. Murphy may provide the Commissioner with documentary evidence, satisfactory to the Commissioner, reflecting payments made by Murphy to Chadbourn investors. At the end of each calendar year in which Murphy has provided satisfactory evidence of payments by him to investors, the

Commissioner agrees to file a motion with the Court requesting a reduction of the judgment described in paragraph 2 by the amount of those payments.

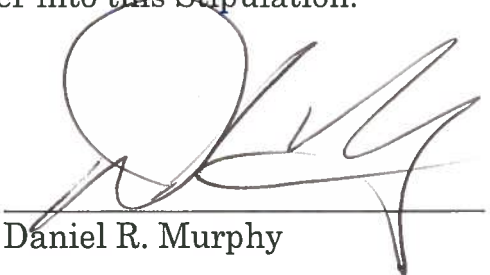
5. By entering into this Stipulation, Defendant neither admits nor denies that any of the allegations, grounds or claims of liability against him contained in the Complaint are true, except to the extent necessary to establish non-dischargeability in any future bankruptcy proceeding, as described in paragraph 3 herein. Defendant also admits that this Court properly has jurisdiction over the subject matter of this action and him as to this action or any action related to it.

6. By consenting to the entry of the Order, Defendant agrees not to take any action or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding or Conclusion in the Order or creating the impression that the Order is without factual basis. The Defendant shall take all necessary steps to ensure that all of his agents and employees understand and comply with this agreement.

7. Murphy hereby waives further service of the Permanent Injunction and the Order attached hereto as Exhibit A, to the extent that any service is required pursuant to C.R.C.P. 65, and agrees that issuance of the Order of Permanent Injunction and Other Relief by the Court shall constitute notice of its terms.

8. Murphy acknowledges that he has had the opportunity to discuss this Stipulation and accompanying Order with an attorney of his choice prior to executing this Stipulation, and that he has voluntarily executed this Stipulation and understood the legal consequences of this Stipulation and accompanying Order, and that no promise, threat, or inducement of any kind, except as stated herein, has been made to induce him to enter into this Stipulation.

 8/4/14
Date


Daniel R. Murphy

Subscribed to and sworn to before me by Daniel R. Murphy in Duval County,
State of Florida, this 4th day of August, 2014.

Barbara G. Kozak
Barbara G. Kozak
NOTARY PUBLIC

My Commission expires:

8/13/14
Date



[Signature]
Gerald Rome, Securities Commissioner

Approved as to form:

JOHN W. SUTHERS
Attorney General

[Signature]

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